



ROYAL DOULTON

THE MARKET

Ceramic tableware is an essential part of any home. Indeed, archaeologists rely on 'shards' or pottery fragments to establish the level of sophistication of past civilisations. For pottery and ceramics reflect the art and lifestyle of the age. Over the past decade time pressures, casual lifestyles and diversity of foods have contributed to an increase in the popularity of informal dining. It is indicative of Royal Doulton's predominance in the marketplace that the company both absorbs and meets the changing lifestyles in their many markets competing successfully for the consumers' spend against foreign holidays, electronic goods, clothes and a vast array of leisure activities.

The key markets worldwide for premium ceramic tableware and giftware are the UK and Continental Europe, North America, Asia Pacific and Australia. In total, the global market is estimated to be worth in excess of \$3 billion.

Royal Doulton is market leader in ceramics, occupying over 39% of the Australian branded tableware market with major strengths in bone china tableware, figurines and nurseryware. In 1996, the casual tableware sales grew by 94% and classic tableware by 26%. Royal Doulton continues to increase its market share in 1997.

ACHIEVEMENTS

Royal Doulton plc is the world's largest manufacturer and distributor in the premium ceramic tableware and giftware market. Its brand names include Royal Crown Derby, Minton, Royal Albert, and of course, Royal Doulton itself.

With almost 200 years of heritage, Royal Doulton is a thriving global organisation, with over \$500 million annual turnover, employing around 7,000 people, both at its 10 UK factories and numerous distribution operations worldwide. Half of all Royal Doulton's sales are outside of the UK.

Royal Doulton enjoys a leading position in the ceramics and chinaware markets. Around 40% of all English bone china and almost half of all the UK's ceramic sculptures is produced by Royal Doulton.

The Company's Hotel and Airline division is also



the world's largest supplier of bone china to the international airlines industry.

As well as providing Royal Doulton devotees with their treasured collection-pieces, the Royal Albert design 'Old Country Roses' has become the world's most popular design.

HISTORY

Royal Doulton has been producing ceramics and tableware for almost 200 years. As far back as 1815, the company founder, John Doulton, began producing practical and decorative stoneware from a small pottery in Lambeth, London. His son, Henry Doulton, built up the business, moving it some 60 years later to Stoke-on-Trent.

In 1997 Royal Doulton celebrates the centenary of the life of Sir Henry Doulton whose expertise and forward thinking was responsible for modernising the Company and establishing Royal Doulton on the path that has led to its current international success.

By 1901, the quality of the Doulton's tableware had caught the eye of the King of England, Edward VII, who permitted Doulton to prefix the company name with "Royal" and awarded it the Royal Warrant.

Now, as Royal Doulton, the company expanded its production facilities and by the 1930s was involved in the manufacture of figurines and giftware.

Royal Doulton was awarded the Queen's Award for Technological Achievement in 1966, for its contribution to china-manufacture. It was the first china manufacturer to be honoured with this award.

During the 1960s and 1970s, Royal Doulton discarded its drain pipe production interests and went on a spending spree, acquiring Minton, which had begun china production in 1793, and Webb Corbett, a manufacturer of crystal. Then, in 1972,

Royal Doulton was bought by Pearson and merged with Allied English Potteries. This move introduced a number of key brands, noted for their excellence and heritage, into the Royal Doulton family.

Royal Crown Derby was the oldest china brand, tracing its origins back to 1748. George III had granted Derby permission to incorporate the crown as a backstamp in all its wares, with Queen Victoria adding the 'Royal' to the name. Royal Albert, another famous china brand, was also merged into Royal Doulton.

In 1993, Royal Doulton was demerged from Pearson and became an independent listed company.

Royal Doulton has been available in Australia since the early 1800's through agency agreements. A wholly owned Royal Doulton subsidiary was established in Sydney in 1952. The company imports product from the UK and Indonesia and is a relatively complex business due to its diverse area of distribution and high levels of inventory. In 1996, the company sold in excess of 2.5 million units on the Australian market.



THE PRODUCT

Each of Royal Doulton's four principal brands - Royal Doulton, Royal Albert, Royal Crown Derby and Minton - enjoys a long association of Royal patronage and holds at least one Royal warrant. All four brands are registered as trademarks.

Due to the company's reputation as a manufacturer of excellent quality, and producer of distinctive, appealing designs, Royal Doulton has secured a high degree of customer loyalty.





particularly favoured in Japan. Minton is also famous for its intricate gold designs where one plate can cost ten thousand dollars. The company also undertakes special commissions.

Royal Doulton currently operates in over 60 different markets and has distribution companies in the USA, Canada, Australia, The Netherlands, Hong Kong and Japan.

RECENT DEVELOPMENTS

To ensure its potential for growth in the flourishing Asia-Pacific region, Royal Doulton has subsidiaries in Japan and Hong Kong. Another venture in Asia has been formed with ceramics manufacturer and distributor The Multifortuna Group in Indonesia.

Of course, Royal Doulton has continued to do what it does best - produce top quality chinaware collections. Registering the change in modern eating patterns, Royal Doulton produced a range of casual dining ware in 1995 under the Doulton Everyday brand. This range of fine china offers fashion and lifestyle dinner designs positioned at the lower end of the prestige tableware market. Designed for everyday use all products are dishwasher and microwave safe and can be used in the freezer and oven.

Children's giftware was highlighted in 1995 with the introduction of Winnie the Pooh giftware, based on the well-loved characters from AA Milne's stories and poems, written especially for his son Christopher Robin. The giftware set is decorated with scenes from the Winnie the Pooh and the House at Pooh Corner books illustrated by E H Shepherd.

When drawing up a new product design, Royal Doulton designers study the market, analyse consumer research and often refer to their own museum and private archives for inspiration.

Royal Doulton provides a broad range of domestic tableware, manufactured in fine bone china and fine china as well as famous giftware and collectable figurines. The Royal Doulton brand is also featured on an extensive range of crystal stemware and giftware.

Targeting the junior members of the household, Royal Doulton also produces nurseryware. Its most popular collection is 'Bunnykins' which has its strongest collector base in Australia. Based on well-known book characters, 'Brambly Hedge' giftware and 'The Winnie the Pooh' collection, have also excited interest.

Royal Doulton also provides the chinaware for hotel and airline customers such as the Savoy Group, the Four Seasons chain and British Airways. In Australia, Royal Doulton's commercial division supplies airlines such as British Airways and Air New Zealand along with customers such as Sydney Harbour Casino, State and Federal Parliament House and numerous Hotel Groups around Australia.

Royal Albert, which traces its origins back to 1896, has become an internationally recognised brand, offering domestic tableware, crystal and gift items - not forgetting its range of children's ware based on Beatrix Potter characters.

Royal Crown Derby is Royal Doulton's oldest brand, dating from 1748. The brand is most famous for its 'Imari' patterns, combining bold reds with cobalt blue and gold and the Royal Crown Derby range of paperweights have become highly prized collector's items.

Equally famous, and sharing a similar heritage since its inception in 1793, is Minton, featuring its most popular design "Haddon Hall," which is



PROMOTION

Marketing the Royal Doulton brand employs a variety of promotional techniques including magazine and television advertising, trade fairs, in-store promotions and special events, selected press advertising and supplements in Bridal magazines.

There is also a strong and effective public relations programme, for example, Michael Doulton, a descendant of the Doulton founders, acts as an ambassador for the Brand, travelling to overseas markets.

A new visitor centre was opened at the Royal Doulton factory in Nile Street, Burslem in May 1996. Open 7 days a week it features the world's largest collection of Royal Doulton figures on public show - over 1,500. Visitors are able to tour the factory during the week, bookings need to be made in advance, or see the production processes on a video at weekends. Factory tours are offered also at the Royal Doulton crystal factory in Stourbridge, the John Beswick studio of Royal Doulton, and the Royal Crown Derby factory in Derby. At Derby, incidentally, there is a superb

museum showing the growth of the brand since the 1750s, and a visitor centre opens in early 1998.

As the acknowledged leader in tableware, Royal Doulton is working to maintain its unique position at the cutting edge of product development. Through building on its investments in areas such as Indonesia, Royal Doulton can maintain close control of its marketing throughout the world, making the most of its high brand recognition.

BRAND VALUES

As one of the oldest and best-recognised chinaware brands in the world, Royal Doulton has earned itself a reputation for excellence, quality and distinctiveness of design. Beloved by collectors the world over, Royal Doulton has an international reach which belies its English roots and product. To maintain this leading position, Royal Doulton has continued to invest in its overseas marketing operations and has established high-tech production facilities.

Royal Doulton combines the best in artistic design with flawless production skills to produce something both beautiful and practical too.



Things you didn't know about Royal Doulton

- A single Minton plate can cost over \$10,000 and will take one person three whole weeks to complete the raised paste decoration.
- The Royal Albert design "Old Country Roses" is the world's most popular design with 100 million pieces having been sold since introduction in 1962.
- The largest and most expensive figure made by Royal Doulton takes more than 160 hours to hand-paint and costs over \$25,000.
- Royal Doulton's best-selling nurseryware range, 'Bunnykins,' was designed by a nun and has been in production for 60 years.
- Royal Doulton was the first china to enter space. China plates were carried on the inaugural flight of the space shuttle 'Discovery' in 1984.
- There are Royal Doulton ceramics in a time capsule inserted into the base of Cleopatra's Needle, on the Thames embankment, in London.